

and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Passed by the House on April 27, 2017: Yeas 143, Nays 1, 3 present, not voting; passed by the Senate on May 4, 2017: Yeas 30, Nays 1.

Filed without signature May 18, 2017.

Effective May 18, 2017.

**CREATION OF THE MONTGOMERY COUNTY MUNICIPAL
UTILITY DISTRICT NO. 154; GRANTING A LIMITED POWER
OF EMINENT DOMAIN; PROVIDING AUTHORITY TO ISSUE
BONDS; PROVIDING AUTHORITY TO IMPOSE
ASSESSMENTS, FEES, AND TAXES**

CHAPTER 11

H.B. No. 1440

AN ACT

**relating to the creation of the Montgomery County Municipal Utility District No. 154;
granting a limited power of eminent domain; providing authority to issue bonds;
providing authority to impose assessments, fees, and taxes.**

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7974 to read as follows:

**CHAPTER 7974. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO.
154**

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7974.001. DEFINITIONS. *In this chapter:*

- (1) "Board" means the district's board of directors.
- (2) "Commission" means the Texas Commission on Environmental Quality.
- (3) "Director" means a board member.
- (4) "District" means the Montgomery County Municipal Utility District No. 154.

Sec. 7974.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7974.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7974.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7974.003 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7974.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7974.006. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7974.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7974.052, directors serve staggered four-year terms.

Sec. 7974.052. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 7974.003; or

(2) the fourth anniversary of the effective date of the Act enacting this chapter.

(c) If permanent directors have not been elected under Section 7974.003 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 7974.003; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons

named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7974.101. GENERAL POWERS AND DUTIES. *The district has the powers and duties necessary to accomplish the purposes for which the district is created.*

Sec. 7974.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. *The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.*

Sec. 7974.103. AUTHORITY FOR ROAD PROJECTS. *Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.*

Sec. 7974.104. ROAD STANDARDS AND REQUIREMENTS. (a) *A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.*

(b) *If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.*

(c) *If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.*

Sec. 7974.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. *The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.*

Sec. 7974.106. DIVISION OF DISTRICT. (a) *The district may be divided into two or more new districts only if the district:*

(1) *has no outstanding bonded debt; and*

(2) *is not imposing ad valorem taxes.*

(b) *This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.*

(c) *Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.*

(d) *The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.*

(e) *The board may adopt an order dividing the district before or after the date the board holds an election under Section 7974.003 to confirm the district's creation.*

(f) *An order dividing the district must:*

(1) *name each new district;*

(2) *include the metes and bounds description of the territory of each new district;*

(3) *appoint temporary directors for each new district; and*

(4) *provide for the division of assets and liabilities between or among the new districts.*

(g) *On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.*

(h) Any new district created by the division of the district shall hold a confirmation and directors' election as required by Section 7974.003.

(i) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 7974.004 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

(j) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

(k) If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7974.151. **ELECTIONS REGARDING TAXES OR BONDS.** (a) The district may issue, without an election, bonds and other obligations secured by:

- (1) revenue other than ad valorem taxes; or
- (2) contract payments described by Section 7974.153.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7974.152. **OPERATION AND MAINTENANCE TAX.** (a) If authorized at an election held under Section 7974.151, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7974.153. **CONTRACT TAXES.** (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7974.201. **AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS.** The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7974.202. **TAXES FOR BONDS.** At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7974.203. **BONDS FOR ROAD PROJECTS.** At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2. The Montgomery County Municipal Utility District No. 154 initially includes all the territory contained in the following area:

TRACT 1

A METES AND BOUNDS description of a 279.07 acre tract of land situated in the Edward Taylor Survey, Abstract Number 554, Montgomery County, Texas; being all of a called 279.65 acre tract conveyed to Mitchell Energy Corporation by Surface Deed and Subsurface Easement dated January 1, 1995 and filed for record under Clerk's File No. 9509774 of the Montgomery County Official Public Records of Real Property; said 279.07 acres being more particularly described as follows with all bearing based on the Texas Coordinate System of 1983, Central Zone:

BEGINNING at a found $\frac{1}{2}$ -inch iron rod in the apparent west right-of-way of Cripple Creek Drive North, for an angle corner in the north line of Lot 1 of Galleria Oaks Estates as shown on a plat filed for record in Cabinet B, Sheet 79 of the Montgomery County Map Records and the southeast corner of said 279.65 acres, same being the southeast corner of the herein described tract, from which a found $\frac{1}{2}$ -inch iron rod bears North $77^{\circ}23'58''$ East, 38.23 feet;

THENCE, South $86^{\circ}25'45''$ West, along the north line of Lots 1-7 of said Galleria Oaks Estates and the south line of said 279.65 acres, passing a found 1-inch iron pipe at 244.84 feet, a found axle at 544.26 feet, 5.56 feet right, a found 8-inch by 8-inch concrete monument at 544.89 feet, 4.90 feet right, and a found 1-inch iron pipe at 1170.28 feet, continuing for a total distance of 1988.05 feet (called 1997.31) to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner") in the northeast right-of-way of the Union Pacific Railroad (formerly I & G.N. Railroad Company) (width varies) filed for record under Volume 26, Page 351 of the Montgomery County Deed Records, for the south corner of the herein described tract, from which a found 8-inch by 8-inch concrete monument bears South $86^{\circ}25'45''$ West, 9.14 feet;

THENCE, along the northeast right-of-way of the said Union Pacific Railroad and the southwest line of the herein described tract the following five (5) courses and distances:

1. North $59^{\circ}15'02''$ West, 1127.60 feet, departing the north line of said Lot 7, to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner");
2. North $30^{\circ}44'58''$ East, 25.00 feet to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner");
3. North $59^{\circ}15'02''$ West, 600.00 feet to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner");
4. South $30^{\circ}44'58''$ West, 25.00 feet to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner");
5. North $59^{\circ}15'02''$ West, 1371.85 feet to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner") in the south line of a called 139.384 acre tract conveyed to Norma Helen Schoessow by Special Warranty Deed dated October 23, 1995 and filed for record under Clerk's File No. 9559657 of the Montgomery County Official Public Records of Real Property, for the west corner of the herein described tract, from which a found 8-inch by 8-inch concrete monument bears South $87^{\circ}11'00''$ East, 8.79 feet;

THENCE, North $87^{\circ}11'00''$ East, 2105.63 feet (called 2114.59 feet), departing the northeast right-of-way of the said Union Pacific Railroad, along the south line of said 139.384 acres, a north line of said 279.65 acres, and a north line of the herein described tract to a found 8-inch by 8-inch concrete monument, for an angle corner for said 139.384 acres, said 279.65 acres, and the herein described tract;

THENCE, North $32^{\circ}44'24''$ East, along the southeast line of said 139.384 acres, the northwest line of said 279.65 acres, and the northwest line of the herein described tract, passing a found $\frac{1}{2}$ -inch iron rod (bent) at 2037.03 feet, 4.74 feet right, continuing for a total distance of 2056.48 feet to a found 1-inch pinched top pipe, for an angle corner for said 139.384 acres, said 279.65 acres, and the herein described tract;

THENCE, North $02^{\circ}29'44''$ West, 2678.96 feet (called 2681.84 feet) along the east line of said 139.384 acres, the west line of said 279.65 acres, and the west line of the herein described tract to a found 8-inch by 8-inch concrete monument in the south line of a

called 77.051 acre tract conveyed to Susan Halstead, Vincent S. Halstead, Steven B. Schoessow, Clarice J. Fore, Curtis F. Schoessow, Douglas P. Schoessow, Jana B. McNeil and Adrienne Leigh Fore by Gift Deed dated October 10, 2014 and filed for record under Clerk's File No. 2014100067 of the Montgomery County Official Public Records of Real Property, for the northeast corner of said 139.384 acres and the northwest corner of said 279.65 acres, same being the northwest corner of the herein described tract, from which a found $\frac{1}{2}$ -inch iron pipe bears North $01^{\circ}41'45''$ East, 0.61 feet;

THENCE, North $86^{\circ}56'34''$ East, along the south line of said 77.051 acres, the north line of said 279.65 acres, and the north line of the herein described tract, passing a found 1-inch pinched top pipe at 298.14 feet, continuing along the north line of said 279.65 acres and the north line of the herein described tract for a total distance of 715.80 feet to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner") for an angle corner;

THENCE, North $86^{\circ}38'34''$ East, 561.72 feet (called 561.50 feet), continuing along the north line of said 279.65 acres and the north line of the herein described tract to a found $\frac{1}{2}$ -inch iron pipe in the apparent east line of the Edward Taylor Survey, Abstract Number 554 and the apparent west line of the Leander Wescott Survey, Abstract Number 616, for the southeast corner of a called 10 acre tract conveyed to Axe Em Investments, L.P. by Special Warranty Deed dated October 1, 2003 and filed for record under Clerk's File No. 2003-134286 of the Montgomery County Official Public Records of Real Property and the northeast corner of said 279.65 acres, same being the northeast corner of the herein described tract, from which a found $\frac{1}{2}$ -inch iron rod bears North $03^{\circ}18'03''$ West, 941.08 feet;

THENCE, South $02^{\circ}35'38''$ East, along the apparent east line of the Edward Taylor Survey, Abstract Number 554, the apparent west line of the Leander Wescott Survey, Abstract Number 616, the east line of said 279.65 acres and the east line of the herein described tract, passing a found $\frac{1}{2}$ -inch iron pipe at a distance of 2090.96 feet, 12.71 feet right, a found $\frac{5}{8}$ -inch iron rod at a distance of 2094.87 feet, 12.74 feet right and a found $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner") (previously set for survey of adjoining acreage) at a distance of 2107.96 feet, continuing along apparent east line of the Edward Taylor Survey, Abstract Number 554, the apparent west line of the Robin George Survey, Abstract Number 470, the apparent west line of the Leander Wescott Survey, Abstract Number 615, the west line of Block 4 of Cripple Creek Farms North Section Three (an unrecorded subdivision), the east line of said 279.65 acres and the east line of the herein described tract, same being the common line of a Boundary Agreement dated August 11, 1958 filed for record in Volume 458, Page 386 of the Montgomery County Deed Records, passing a found $\frac{1}{2}$ -inch iron pipe at a distance of 2978.61 feet, 4.46 feet right, a found $\frac{1}{2}$ -inch iron pipe at a distance of 3178.70 feet, 4.50 feet right, a found $\frac{5}{8}$ -inch iron rod at a distance of 3408.76 feet, 4.96 feet right, a found $\frac{1}{2}$ -inch iron pipe at a distance of 3638.37 feet, 5.76 feet right, a found $\frac{1}{2}$ -inch iron pipe at a distance of 3846.97 feet, 5.42 feet right, a found $\frac{1}{2}$ -inch iron pipe at a distance of 4046.44 feet, 4.77 feet right, a found $\frac{3}{4}$ -inch iron rod at a distance of 4246.56 feet, 4.32 feet right, a found $\frac{1}{2}$ -inch iron pipe at a distance of 4446.96 feet, 5.22 feet right, a found $\frac{1}{2}$ -inch iron pipe at a distance of 4646.61 feet, 6.40 feet right, a found $\frac{5}{8}$ -inch iron rod at a distance of 4845.95 feet, 6.30 feet right, a found $\frac{1}{2}$ -inch iron pipe at a distance of 5044.96 feet, 6.79 feet right, a found $\frac{1}{2}$ -inch iron pipe at a distance of 5644.64 feet, 6.54 feet right, a found $\frac{1}{4}$ -inch iron pipe at a distance of 5665.25 feet, 7.16 feet right, a found $\frac{5}{8}$ -inch iron rod at a distance of 5665.30 feet, 6.86 feet right, continuing for a total distance of 6047.81 feet (called 6051.88 feet) to the POINT OF BEGINNING, CONTAINING 279.07 acres of land in Montgomery County, Texas, as shown on drawing number 9629-A.

TRACT 2

A METES AND BOUNDS description of a 842.23 acre tract of land situated in the Charles Frazier Survey, Abstract Number 206, the Andrew J. Hensley Survey, Abstract Number 255, the Azariah Prather Survey, Abstract Number 427 and the Leander Wescott Survey, Abstract Number 616, Montgomery County, Texas; being out of and a part of a called 881.183 acre tract (Tract 1) conveyed to Mitchell Energy Corporation by Special

Warranty Deed dated July 31, 1997 and filed for record under Clerk's File No. 9746155 of the Montgomery County Official Public Records of Real Property; said 842.23 acres being more particularly described as follows with all bearings based on the Texas Coordinate System of 1983, Central Zone:

BEGINNING at a found 3-inch iron pipe for the north corner Greentree Forest Estates (an Unrecorded Subdivision), same being an interior corner of the herein described tract;

THENCE, South 42°47'48" West, along the northwest line of said Greentree Forest Estates and a southeast line of said 881.183 acres, passing a found $\frac{5}{8}$ -inch iron rod at 256.52 feet, a found $\frac{1}{2}$ -inch iron rod at 374.49 feet, 0.17 feet left, a found $\frac{5}{8}$ -inch iron rod at 847.40 feet, a found $\frac{5}{8}$ -inch iron rod at 965.59 feet, 0.38 feet right, a found $\frac{1}{2}$ -inch iron rod at 1202.01 feet, a found $\frac{1}{2}$ -inch iron rod at 1442.52 feet, 1.05 feet right, a found $\frac{5}{8}$ -inch iron rod at 1686.50 feet and a found $\frac{1}{2}$ -inch iron rod at 1921.45 feet, continuing for a total distance of 2155.95 feet (called 2155.95 feet) to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner") in the northeast line of called 4.615 acre tract, known as Tract 17, Block 4 of Cripple Creek Farms North Section Three (an unrecorded subdivision), conveyed to Larry Dan McQuerry and wife, Mary Margaret McQuerry by General Warranty Deed dated April 2, 1980 and filed for record under Clerk's File No. 8011618 of the Montgomery County Official Public Records of Real Property, for a southwest corner of the herein described tract, from which a found $\frac{1}{2}$ -inch iron rod bears South 47°45'18" East, 171.07 feet;

THENCE, North 47°25'32" West, 433.31 feet (called 1246.42 feet), departing the northwest line of said Greentree Forest Estates, along the northeast line of said 4.615 acres and a southwest line of said 881.183 acres to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner") in the east line of a called 279.65 acre tract conveyed to Mitchell Energy Corporation by Surface Deed and Subsurface Easement dated January 1, 1995 and file for record under Clerk's File No. 9509774 of the Montgomery County Official Public Records of Real Property, same being the apparent east line of the Edward Taylor Survey, Abstract Number 554 and the apparent west line of the Leander Wescott Survey, Abstract Number 616, from which found 3- $\frac{1}{2}$ " iron pipe bears North 47°25'32" West, 812.94 feet, and a found $\frac{1}{2}$ -inch iron rod bears South 02°35'38" East, 3939.85 feet;

THENCE, North 02°35'38" West, departing the northeast line of said 4.615 acres, along the east line of said 279.65 acres, the apparent east line of the Edward Taylor Survey, Abstract Number 554 and the apparent west line of the Leander Wescott Survey, Abstract Number 616, passing a $\frac{5}{8}$ -inch iron rod at 13.09 feet, 12.74 feet left and a found $\frac{1}{2}$ -inch iron pipe at 17.01 feet, 12.71 feet left, continuing for a total distance of 2107.96 feet to a found $\frac{1}{2}$ -inch iron pipe for the southeast corner of a called 10 acre tract conveyed to Axe Em Investments, L.P. by Special Warranty Deed dated October 1, 2003 and filed for record under Clerk's File No. 2003-134286 of the Montgomery County Official Public Records of Real Property, the northeast corner of said 279.65 acres and an angle point in the west line of the herein described tract, from which a found $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner") bears South 86°38'34" West, 561.72 feet;

THENCE, North 03°18'03" West, continuing along the apparent east line of the Edward Taylor Survey, Abstract Number 554, the apparent west line of the Leander Wescott Survey, Abstract Number 616, and the east line of said 10 acres, passing a $\frac{1}{2}$ -inch iron rod at 220.99 feet, continuing along the east line of said 10 acres, the east line of a called 5 acre tract and another called 10 acre tract (hereinafter referred to as "northern 10 acres"), both conveyed to Axe Em Investments, L.P. by Special Warranty Deed dated October 1, 2003 and filed for record under Clerk's File No. 2003-134286 of the Montgomery County Official Public Records of Real Property for a total distance of 941.08 feet to a found $\frac{1}{2}$ -inch iron rod in the north line of said 881.183 acres for an angle point in the south line of a called 757.02 acre tract ("Tract III") conveyed to 1488 Corp. by Special Warranty Deed dated December 29, 2015 and filed for record under Clerk's File No. 2016002467 of the Montgomery County Official Public Records of Real Property, same being the northwest corner of the herein described tract, from which a found axle bears North 48°48'43" West, 728.19 feet and a found $\frac{3}{4}$ -inch pinched top pipe bears North 03°04'57" West, 1286.89 feet;

THENCE, departing the east line of said northern 10 acres, the apparent east line of the Edward Taylor Survey, Abstract Number 554 and the apparent west line of the Leander Wescott Survey, Abstract Number 616, along the south line of said 757.02 acres and the north line of said 881.183 acres the following six (6) courses and distances:

1. South 48°52'00" East, 593.66 feet (called 1321.86 feet) to a found 3-inch iron pipe for an angle point;
2. North 42°00'28" East, 807.36 feet (called 807.98 feet) to a found 3-inch iron pipe;
3. North 43°20'46" East, 781.14 feet (called 779.36 feet) to a found 3/4-inch iron pipe;
4. North 41°41'25" East, 1538.43 feet (called 1540.14 feet) to a found 3-inch iron pipe;
5. North 42°24'04" East, 777.81 feet (called 778.99 feet) to a found 1/2-inch iron rod;
6. North 42°15'57" East, 706.71 feet (called 710.25 feet) to a point in the centerline of Mill Creek, for the west corner of a called 6.11186 acre tract, known as Tract 12 of Wildwood Estates (an unrecorded subdivision), conveyed to John M. Burdick and wife, Sandra A. Burdick by Warranty Deed dated October 14, 1991 and file for record under Clerk's File No. 9148107 of the Montgomery County Official Public Records of Real Property, same being the north corner of said 881.183 acres and the herein described tract, from which a found 1-inch iron pipe bears North 42°15'57" East, 1881.50 feet;

THENCE, departing the south line of said 757.02 acres, along the centerline meanders of said Mill Creek, same being the east line of said 881.183 acres, the following two-hundred and forty-six (246) courses and distances:

1. South 12°18'18" East, 20.94 feet to a point;
2. South 22°23'59" East, 74.66 feet to a point;
3. South 42°53'52" West, 46.44 feet to a point;
4. South 36°58'56" West, 46.01 feet to a point;
5. South 09°52'55" East, 37.33 feet to a point;
6. North 87°56'29" East, 80.12 feet to a point;
7. South 45°12'31" East, 17.10 feet to a point;
8. South 10°52'22" East, 26.87 feet to a point;
9. South 02°05'39" East, 26.13 feet to a point;
10. South 12°44'29" East, 19.29 feet to a point;
11. South 04°45'43" West, 43.16 feet to a point;
12. South 35°59'36" East, 36.12 feet to a point;
13. South 09°16'25" West, 32.54 feet to a point;
14. South 12°40'55" West, 171.14 feet to a point;
15. South 06°14'53" East, 70.78 feet to a point;
16. South 41°23'52" East, 61.54 feet to a point;
17. South 14°42'38" East, 130.27 feet to a point;
18. South 23°55'53" East, 126.21 feet to a point;
19. South 10°03'51" East, 50.67 feet to a point;
20. South 36°50'20" East, 107.39 feet to a point;
21. South 10°43'38" East, 60.21 feet to a point;
22. South 21°14'15" West, 153.28 feet to a point;
23. South 22°33'14" West, 58.07 feet to a point;

24. South 05°35'01" West, 20.25 feet to a point;
25. South 61°22'44" East, 38.41 feet to a point;
26. South 69°02'33" East, 58.99 feet to a point;
27. South 12°12'50" East, 124.16 feet to a point;
28. South 32°31'48" East, 44.10 feet to a point;
29. South 57°36'47" East, 61.05 feet to a point;
30. South 53°27'39" East, 56.94 feet to a point;
31. South 33°14'19" East, 97.80 feet to a point;
32. South 21°00'11" East, 47.88 feet to a point;
33. South 00°14'08" West, 9.48 feet to a point;
34. South 35°38'34" West, 15.42 feet to a point;
35. South 05°09'49" West, 35.23 feet to a point;
36. South 41°24'16" East, 29.71 feet to a point;
37. South 59°26'29" East, 22.32 feet to a point;
38. South 69°02'33" East, 324.70 feet to a point;
39. South 85°20'52" East, 48.71 feet to a point;
40. North 78°12'44" East, 26.46 feet to a point;
41. North 42°26'02" East, 37.26 feet to a point;
42. North 09°57'57" East, 21.44 feet to a point;
43. North 71°11'45" West, 44.32 feet to a point;
44. North 43°20'43" West, 8.72 feet to a point;
45. North 01°04'41" West, 22.38 feet to a point;
46. North 21°27'17" East, 14.55 feet to a point;
47. North 35°12'16" East, 57.34 feet to a point;
48. South 40°49'24" East, 26.21 feet to a point;
49. South 26°33'49" East, 19.14 feet to a point;
50. South 78°44'47" East, 39.61 feet to a point;
51. South 42°37'50" East, 117.76 feet to a point;
52. South 63°31'02" East, 54.42 feet to a point;
53. North 86°22'35" East, 14.48 feet to a point;
54. South 83°23'38" East, 50.81 feet to a point;
55. South 41°53'26" East, 37.41 feet to a point;
56. South 10°42'29" East, 156.83 feet to a point;
57. South 50°37'37" East, 26.55 feet to a point;
58. South 35°05'48" East, 74.85 feet to a point;
59. South 34°45'59" East, 50.28 feet to a point;
60. South 63°14'51" East, 163.53 feet to a point;
61. South 87°53'24" East, 20.12 feet to a point;
62. North 48°15'22" East, 95.09 feet to a point;
63. South 57°40'49" East, 12.18 feet to a point;
64. South 55°52'46" East, 39.03 feet to a point;
65. South 30°38'19" East, 13.33 feet to a point;
66. South 17°12'36" East, 20.13 feet to a point;

67. South 54°53'29" East, 145.28 feet to a point;
68. South 66°39'02" East, 56.87 feet to a point;
69. South 75°44'05" East, 87.52 feet to a point;
70. South 58°53'21" East, 90.35 feet to a point;
71. North 88°28'59" East, 42.27 feet to a point;
72. South 56°16'37" East, 181.99 feet to a point;
73. South 40°53'21" East, 125.58 feet to a point;
74. South 31°26'40" West, 50.99 feet to a point;
75. South 28°10'18" West, 24.21 feet to a point;
76. South 77°29'22" East, 19.73 feet to a point;
77. South 50°09'42" East, 96.47 feet to a point;
78. South 56°32'41" East, 38.23 feet to a point;
79. South 54°49'44" East, 31.98 feet to a point;
80. North 77°40'42" East, 30.26 feet to a point;
81. North 80°05'57" East, 64.03 feet to a point;
82. South 66°03'01" East, 290.35 feet to a point;
83. South 63°25'23" East, 170.62 feet to a point;
84. South 62°41'27" East, 181.12 feet to a point;
85. South 49°53'40" East, 59.94 feet to a point;
86. South 39°07'27" East, 46.28 feet to a point;
87. South 05°14'20" West, 92.52 feet to a point;
88. South 63°37'44" West, 38.32 feet to a point;
89. South 46°52'08" West, 17.69 feet to a point;
90. South 30°30'24" West, 32.48 feet to a point;
91. South 52°08'30" West, 30.87 feet to a point;
92. North 88°59'43" West, 56.63 feet to a point;
93. South 40°10'42" West, 137.98 feet to a point;
94. South 17°29'36" West, 77.42 feet to a point;
95. South 00°37'28" East, 30.27 feet to a point;
96. South 83°36'36" East, 64.24 feet to a point;
97. South 86°39'20" East, 105.45 feet to a point;
98. South 46°06'16" East, 176.19 feet to a point;
99. South 56°22'42" East, 61.38 feet to a point;
100. South 53°51'41" East, 64.61 feet to a point;
101. North 46°16'54" East, 19.60 feet to a point;
102. North 42°53'51" East, 33.81 feet to a point;
103. North 81°54'47" East, 105.65 feet to a point;
104. South 78°49'30" East, 53.59 feet to a point;
105. South 39°53'14" East, 18.21 feet to a point;
106. South 27°02'07" East, 57.44 feet to a point;
107. South 40°36'08" East, 83.23 feet to a point;
108. South 36°14'03" East, 104.79 feet to a point;
109. South 21°55'33" West, 120.32 feet to a point;

110. South 45°28'18" West, 24.82 feet to a point;
111. North 87°16'18" West, 60.19 feet to a point;
112. South 04°03'57" West, 40.49 feet to a point;
113. South 19°30'55" West, 113.56 feet to a point;
114. South 17°09'33" West, 26.63 feet to a point;
115. South 06°32'51" West, 52.58 feet to a point;
116. South 48°03'00" East, 198.07 feet to a point;
117. South 78°07'22" East, 39.83 feet to a point;
118. South 45°15'38" East, 108.53 feet to a point;
119. South 15°27'32" East, 74.05 feet to a point;
120. South 29°42'12" East, 187.05 feet to a point;
121. South 10°51'23" East, 98.64 feet to a point;
122. South 13°57'22" West, 16.81 feet to a point;
123. South 05°41'13" East, 152.49 feet to a point;
124. South 04°31'17" East, 117.06 feet to a point;
125. South 04°48'51" West, 67.94 feet to a point;
126. South 20°51'03" West, 86.27 feet to a point;
127. South 48°35'35" West, 63.11 feet to a point;
128. South 48°58'11" West, 27.31 feet to a point;
129. South 41°19'59" West, 147.94 feet to a point;
130. South 16°43'24" West, 51.25 feet to a point;
131. South 38°48'25" West, 129.88 feet to a point;
132. South 48°43'18" West, 33.26 feet to a point;
133. South 49°33'27" West, 63.28 feet to a point;
134. South 34°02'23" West, 138.93 feet to a point;
135. South 43°19'50" West, 77.02 feet to a point;
136. South 21°42'27" East, 21.32 feet to a point;
137. South 19°31'50" East, 69.55 feet to a point;
138. South 10°43'23" East, 164.23 feet to a point;
139. South 50°46'56" East, 96.05 feet to a point;
140. South 38°12'17" East, 124.95 feet to a point;
141. South 14°25'39" East, 40.20 feet to a point;
142. South 04°53'50" East, 123.95 feet to a point;
143. South 32°39'47" East, 115.61 feet to a point;
144. South 15°59'49" East, 145.05 feet to a point;
145. South 44°34'59" East, 144.65 feet to a point;
146. South 62°03'10" East, 95.40 feet to a point;
147. South 79°38'44" East, 72.91 feet to a point;
148. South 10°24'52" East, 229.66 feet to a point;
149. North 68°22'11" West, 80.47 feet to a point;
150. South 07°25'05" East, 48.42 feet to a point;
151. South 02°41'47" West, 198.27 feet to a point;
152. South 43°12'25" West, 88.27 feet to a point;

153. South 51°53'13" West, 53.80 feet to a point;
154. South 46°45'22" East, 42.20 feet to a point;
155. South 61°43'29" East, 161.36 feet to a point;
156. South 28°19'40" East, 101.12 feet to a point;
157. South 32°48'06" East, 144.76 feet to a point;
158. South 50°37'24" East, 51.47 feet to a point;
159. South 28°01'42" East, 126.58 feet to a point;
160. South 38°57'45" East, 107.31 feet to a point;
161. South 50°24'34" East, 71.71 feet to a point;
162. South 09°29'22" East, 212.34 feet to a point;
163. South 00°20'59" West, 132.90 feet to a point;
164. South 19°40'54" East, 86.34 feet to a point;
165. South 14°58'26" West, 140.70 feet to a point;
166. South 10°08'09" West, 74.76 feet to a point;
167. South 53°21'21" West, 115.04 feet to a point;
168. South 27°54'49" West, 62.71 feet to a point;
169. South 34°48'30" East, 61.40 feet to a point;
170. South 66°20'22" East, 141.85 feet to a point;
171. South 72°53'56" East, 64.16 feet to a point;
172. South 80°40'10" East, 93.92 feet to a point;
173. North 88°21'42" East, 215.53 feet to a point;
174. North 72°22'13" East, 72.02 feet to a point;
175. North 30°33'22" East, 51.13 feet to a point;
176. North 53°06'11" East, 67.65 feet to a point;
177. South 89°23'41" East, 60.02 feet to a point;
178. North 69°42'48" East, 89.16 feet to a point;
179. North 84°21'21" East, 28.12 feet to a point;
180. South 65°03'29" East, 63.15 feet to a point;
181. South 24°31'20" East, 153.15 feet to a point;
182. South 79°55'10" East, 74.23 feet to a point;
183. South 30°19'44" East, 69.41 feet to a point;
184. South 26°36'17" West, 67.33 feet to a point;
185. South 51°53'55" East, 28.30 feet to a point;
186. South 48°09'02" East, 20.98 feet to a point;
187. South 69°54'32" East, 42.71 feet to a point;
188. South 49°35'02" East, 114.15 feet to a point;
189. South 61°51'29" East, 70.82 feet to a point;
190. North 56°45'53" East, 81.24 feet to a point;
191. North 10°22'42" West, 27.52 feet to a point;
192. North 44°20'07" West, 46.76 feet to a point;
193. North 14°23'02" West, 40.60 feet to a point;
194. North 81°26'55" East, 88.16 feet to a point;
195. South 81°27'52" East, 225.26 feet to a point;

196. North 50°13'30" East, 52.21 feet to a point;
197. South 83°42'53" East, 38.65 feet to a point;
198. South 53°20'17" East, 54.33 feet to a point;
199. South 34°41'44" East, 78.36 feet to a point;
200. South 04°59'36" West, 17.83 feet to a point;
201. South 75°56'24" West, 26.48 feet to a point;
202. North 80°06'10" West, 22.44 feet to a point;
203. South 15°30'22" West, 102.03 feet to a point;
204. South 77°49'42" West, 77.55 feet to a point;
205. South 05°43'31" West, 17.16 feet to a point;
206. South 36°38'48" East, 52.50 feet to a point;
207. South 22°17'18" West, 18.42 feet to a point;
208. South 46°04'19" West, 106.13 feet to a point;
209. South 00°20'40" East, 46.25 feet to a point;
210. North 86°03'23" East, 65.78 feet to a point;
211. South 88°15'33" East, 59.39 feet to a point;
212. South 72°52'21" East, 84.16 feet to a point;
213. South 22°30'03" East, 31.04 feet to a point;
214. South 07°37'19" West, 34.13 feet to a point;
215. South 13°51'28" East, 32.68 feet to a point;
216. South 42°01'46" East, 82.75 feet to a point;
217. South 32°57'14" East, 31.07 feet to a point;
218. South 26°42'20" West, 36.83 feet to a point;
219. South 51°10'47" West, 104.44 feet to a point;
220. South 78°09'38" West, 133.44 feet to a point;
221. North 65°18'54" West, 40.51 feet to a point;
222. North 20°57'04" West, 19.22 feet to a point;
223. North 20°58'16" East, 21.54 feet to a point;
224. North 31°10'24" West, 21.19 feet to a point;
225. South 86°54'36" West, 98.56 feet to a point;
226. South 62°17'52" West, 61.48 feet to a point;
227. South 10°48'36" West, 14.13 feet to a point;
228. South 68°28'09" West, 146.02 feet to a point;
229. South 66°50'57" West, 13.98 feet to a point;
230. South 54°14'31" West, 9.13 feet to a point;
231. South 28°53'35" West, 47.36 feet to a point;
232. South 14°53'51" East, 38.67 feet to a point;
233. South 33°16'15" West, 110.49 feet to a point;
234. South 25°51'57" West, 87.36 feet to a point;
235. South 24°40'48" West, 168.46 feet to a point;
236. South 18°07'49" West, 119.57 feet to a point;
237. South 07°55'38" West, 73.03 feet to a point;
238. South 30°22'38" East, 68.89 feet to a point;

- 239. South 08°41'13" West, 43.89 feet to a point;
- 240. South 20°25'31" West, 64.73 feet to a point;
- 241. South 06°48'07" West, 63.29 feet to a point;
- 242. South 07°37'07" West, 39.79 feet to a point;
- 243. South 28°55'17" West, 36.09 feet to a point;
- 244. South 66°13'24" West, 56.17 feet to a point;
- 245. South 43°02'27" West, 59.63 feet to a point;

246. South 13°44'31" West, 6.84 feet to a point in the northeast line of Mill Creek Forest as shown on a plat filed for record in Volume 5, Page 491 of the Montgomery County Deed Records for the most southerly corner of said 881.183 acres and the herein described tract;

THENCE, North 46°43'05" West, departing the centerline meanders of said Mill Creek, along the northeast line of said Mill Creek Forest, and the southwest line of said 881.183 acres, passing a found $\frac{1}{2}$ -inch iron rod (with cap stamped "Reinke 3971") at 61.41 feet, continuing for a total distance of 397.79 feet (called 414.06) to a found $\frac{1}{2}$ -inch iron rod (with cap stamped "Geomatics Inc.") for the north corner of said Mill Creek Forest, and an interior corner of said 881.183 acres and the herein described tract;

THENCE, South 43°03'45" West, along the northwest line of said Mill Creek Forest and a southeast line of said 881.183 acres, passing a found $\frac{3}{4}$ -inch iron pipe at 104.79 feet, 0.97 feet right, continuing for a total distance of 198.18 feet (called 192.78 feet) to a set $\frac{3}{4}$ -inch iron rod (with cap stamped "Jones | Carter Property Corner") for the east corner of Lot 14, Block 44 of Hazy Hollow East Estates Section 7 (an unrecorded subdivision) conveyed to Malcom James Johnson by Warranty Deed dated April 5, 1991 and filed for record under Clerk's File No. 9230908 of the Montgomery County Official Public Records of Real Property, a south corner of said 881.183 acres and the herein described tract;

THENCE, departing the northwest line of said Mill Creek Forest along the southwest line of said 881.183 acres and the herein described tract the following seven (7) courses and distances:

1. North 47°15'15" West, along the northeast line said Hazy Hollow East Estates Section 7, passing a found $\frac{3}{8}$ -inch iron rod at 1321.03 feet, 1.17 feet left, passing a found $\frac{1}{2}$ -inch iron rod at 1429.95 feet, 1.21 feet left, continuing for a total distance of 1755.51 feet to an angle point, from which a found $\frac{1}{2}$ -inch iron rod bears North 21°27'43" West 4.22 feet;
2. North 47°29'30" West, along the northeast line of said Hazy Hollow East Estates Section 7 and the northeast line of Hazy Hollow East Estates Section 4 (an unrecorded subdivision), passing a found $\frac{3}{8}$ -inch iron rod at 393.30 feet, 1.24 feet right, continuing for a total distance of 711.72 feet to a point;
3. North 47°20'39" West, along the northeast line of Hazy Hollow East Estates Section 10 (an unrecorded subdivision), passing a found $\frac{3}{8}$ -inch iron rod at 126.64 feet, 2.16 feet right, passing a found $\frac{3}{8}$ -inch iron rod at 375.33 feet, 1.09 feet right, passing a found $\frac{3}{8}$ -inch iron rod at 499.77 feet, 0.63 feet right, continuing for a total distance of 527.41 feet to a point;
4. North 47°17'20" West, along the northeast line of said Hazy Hollow East Estates Section 10, passing a found $\frac{5}{8}$ -inch iron rod at 96.90 feet, 0.38 feet right, a found $\frac{1}{2}$ -inch iron rod (bent) at 289.53 feet, a found $\frac{3}{8}$ -inch iron rod at 422.16 feet, 0.24 feet right, a found $\frac{1}{2}$ -inch iron rod at 554.92 feet, a found $\frac{5}{8}$ -inch iron rod at 687.54 feet, a found $\frac{3}{8}$ -inch iron rod at 1116.06 feet, 0.31 feet left, a found $\frac{3}{8}$ -inch iron rod at 1239.11 feet, 0.41 feet left, a found $\frac{3}{8}$ -inch iron rod at 1484.87 feet, 0.98 feet left, a found $\frac{3}{8}$ -inch iron rod at 1608.04 feet, 1.32 feet left, a found $\frac{3}{8}$ -inch iron rod at 1731.04 feet, 1.21 feet left, a found $\frac{3}{8}$ -inch iron rod at 1854.08 feet, 0.55 feet left, a found $\frac{5}{8}$ -inch square iron bar at 1977.47 feet, 0.11 feet right, a found $\frac{5}{8}$ -inch square iron bar at 2037.11 feet, 0.36 feet right, a found $\frac{3}{8}$ -inch iron rod at 2159.55 feet, 1.03

feet right, a found $\frac{1}{2}$ -inch iron rod (with cap stamped "C&C Surveying") at 2282.80 feet, 0.18 feet right, a found $\frac{1}{2}$ -inch iron rod (with cap stamped "C&C Surveying") at 2405.70 feet, and a found $\frac{3}{8}$ -inch iron rod at 2897.75 feet, 0.13 feet right, continuing for a total distance of 3015.29 feet to a point;

5. North $47^{\circ}22'30''$ West, along the northeast line of Hazy Hollow East Estates Section 11 (an unrecorded subdivision), passing a found $\frac{3}{8}$ -inch iron rod at 5.37 feet, 2.20 feet left, a found $\frac{3}{8}$ -inch iron rod at 128.11 feet, 3.14 feet left, a found $\frac{3}{8}$ -inch iron rod at 251.00 feet, 3.59 feet left, a found $\frac{3}{8}$ -inch iron rod at 373.97 feet, 3.79 feet left, a found $\frac{3}{8}$ -inch iron rod at 496.74 feet, 3.70 feet left, a found $\frac{3}{8}$ -inch iron rod at 619.44 feet, 3.76 feet left, a found $\frac{3}{8}$ -inch iron rod at 743.26 feet, 1.81 feet left, and a found $\frac{3}{8}$ -inch iron rod at 988.51 feet, 0.13 feet left, continuing for a total distance of 1784.65 feet to a found $\frac{1}{2}$ -inch iron rod for the north corner of said Hazy Hollow East Estates Section 11 and the east corner of Greentree Forest Estates (an unrecorded subdivision);

6. North $47^{\circ}01'59''$ West, along the northeast line of said Greentree Forest Estates, passing a found $\frac{1}{2}$ -inch iron rod at 354.40 feet, passing a found $\frac{5}{8}$ -inch iron rod at 414.22 feet, continuing for a total distance of 498.04 feet to a found $3\text{--}\frac{1}{2}$ -inch iron pipe;

7. North $47^{\circ}36'37''$ West, 270.64 feet (called 270.76 feet) to the POINT OF BEGINNING, CONTAINING 842.23 acres of land in Montgomery County, Texas, as shown on drawing number 9630-A.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7974, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7974.107 to read as follows:

Sec. 7974.107. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(b) This section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Passed by the House on April 20, 2017: Yeas 137, Nays 7, 2 present, not voting; passed by the Senate on May 4, 2017: Yeas 30, Nays 1.

Filed without signature May 18, 2017.

Effective May 18, 2017.